



State Capitol | Lansing, Michigan 48913
PH (517) 373.7708 | FAX (517) 373.1450
www.senate.michigan.gov/gop/senator/gilbert/

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Contact: Jon Cool
517-373-7708

Gilbert legislation to make renewable fuels widely available approved by Senate

LANSING — The Senate voted Thursday to promote and make renewable fuels more widely available in Michigan, said Sen. Jud Gilbert, R-Algonac.

“As fuel prices continue to rise, we need to reduce our dependence on foreign oil and instead switch to cheaper and renewable energy sources such as ethanol and biodiesel,” said Gilbert, chair of the Senate Transportation Committee. “Providing economic incentives to station owners to sell the alternative fuels and to motorists to purchase them will help Michigan remain a leader in renewable energy.”

The legislation is designed to help spur growth in Michigan’s agriculture industry and promote and encourage use of E85, a fuel blend that is 85 percent ethanol, and biodiesel, a diesel fuel containing at least 5 percent biodiesel. Ethanol is a clean burning high-octane fuel primarily produced today from corn kernels. Biodiesel is a cleaner burning diesel fuel made from natural renewable sources such as soybean oil.

Senate Bill 1074, sponsored by Gilbert, would provide motor fuel tax exemptions on the purchase of renewable fuels. The tax breaks would be 7 cents off the 19-cent motor fuel tax on E85 or 3 cents off the 15-cent motor fuel tax on diesel fuel containing at least 5 percent biodiesel.

Other legislation in the renewable fuel package would:

- Set strict quality-control standards for biodiesel and hydrogen fuels, and require diesel-fuel testing in Michigan;
- Require the state to install a fueling infrastructure at the Lansing state fleet garage and require all state flex fuel vehicles to fill up with E85 and diesel vehicles to use a biodiesel blend; and,
- Amend the Michigan Renaissance Zone Act by creating 10 alternative energy targeted renaissance zones.

Although GM and Ford are heavily investing in the production of E85 vehicles, there are only four pumps dispensing the fuel in Michigan, while Minnesota has 198 pumps and Illinois has 104 pumps statewide.

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Audio comments from Sen. Gilbert on renewable fuels are available for download on the Senate Majority Audiowire at www.senate.michigan.gov/gop/audiowire/gilbert/.